

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE**

IN RE:)
)
 TERRANCE DEAN BOHANNON,) CASE NO: 3:17-bk-02303
) CHAPTER 13
 Debtor.) JUDGE RANDAL S. MASHBURN

**EXPEDITED MOTION TO UTILIZE INSURANCE PROCEEDS
TO PURCHASE SUBSTITUTE COLLATERAL
AND
TO REQUIRE LIENHOLDER TO RELEASE LIEN ON TITLE OF
DESTROYED VEHICLE TO ALLOW DISPOSITION OF SALVAGE**

Come now the Debtor, Terrance Deon Bohannon, by and through counsel, pursuant to Local Rule 9075-1, and requests an expedited hearing on a Motion to Utilize Insurance Proceeds to Purchase Substitute Collateral and to Require Lienholder to Release Lien on Title of Destroyed Vehicle to Allow Disposition of Salvage. In support of this Motion, Debtor states the following:

1. **Expedited Relief Requested:** Debtor moves for an order:
 - a. For authorization to utilize insurance proceeds in the estimated amount of \$11,896.80 from Grange Insurance Company for the purchase of substitute collateral of substantially similar value. Said proceeds being issued because of damages caused by an automobile accident; and
 - b. To require the lienholder, Insolve Auto Funding, to release its lien on the title of the "totaled" vehicle and remit said title to Grange Insurance Company to allow disposition of the salvage value in the vehicle.
 - c. To require Insolve Auto Funding to substitute as collateral on its claim the replacement vehicle.
2. **Reason for Urgency:** Debtor requests that the Court hear this Motion on an expedited basis because Debtor needs a replacement vehicle as soon as possible for transportation to work, to avoid expenses for a rental vehicle, and to avoid further delay.
3. **Notice:** Once an Order setting a hearing on this motion is entered, Debtor' counsel will give notice to the United States Trustee and Chapter 13 Trustee via electronic service through the ECF filing system and to the Debtor and creditors by first-class United States mail.

4. PROPOSED HEARING DATE: Debtor proposes that this Expedited Motion be set for hearing on Wednesday, January 29, 2020, at 8:30 am in Courtroom 1, Customs House, 701 Broadway, Nashville, Tennessee, allowing at least one week's notice to the parties involved, or on the next available docket this Court deems appropriate.

5. INFORMATION IN SUPPORT OF THE MOTION: In support of this Motion, Debtor represents the following:

- a. The Debtor demolished his automobile in an accident on December 10, 2019. The vehicle is secured by a debt to Insolve Auto Funding, and the balance due on the claim filed is approximately \$10,232.27.
- b. Debtor filed a claim with Grange Insurance Company and the Grange Insurance Company assessed the automobile as "totaled". Grange Insurance Company provided an estimate of \$11,896.80 for the vehicle in exchange for possession of the wrecked vehicle for the purposes of obtaining salvage value.
- c. Further, Grange Insurance Company requires lienholder to release its lien and turn over title to the automobile.

Debtor proposes as follows:

- i. To use the insurance proceeds to purchase a replacement vehicle of substantially similar value, subject to approval of Insolve Auto Funding.
- ii. Approval of the replacement vehicle must be sent to Insolve Auto Funding by way of a buyer's order. Insolve Auto Funding shall have 72 hours to inspect and/or investigate if the replacement vehicle is substantially similar and to accept or reject the vehicle as a replacement. If Insolve Auto Funding fails to reject the vehicle within 72 hours upon the receipt of a buyer's order, then it is automatically deemed as accepted.
- iii. Once the approved buyer's order is provided to Grange Insurance Company, Grange Insurance Company shall make a check payable to the dealership from which the Debtor are purchasing the

replacement vehicle in an amount equal to the insurance coverage or the total purchase price indicated on the buyer's order, whichever is less, within 72 hours.

iv. Should Insolve Auto Funding fail to approve a second submitted buyer's orders, Insolve Auto Funding shall be given 72 hours in which to locate an available vehicle meeting their requirement available for purchase within 100 miles of the Debtor's residence at the amount of the insurance proceeds or less. If Insolve Auto Funding fails to provide this information, then the last submit buyer's order shall be deemed accepted.

v. Should the replacement vehicle's purchase price exceed the estimated insurance proceeds, then the Debtor shall be responsible for paying the difference at the time of purchase.

vi. Should the replacement vehicle's purchase price be less than the insurance proceeds, the Grange Insurance Company shall make a check payable to the dealership for the amount necessary to purchase the vehicle and the excess funds shall be made payable to Insolve Auto Funding. Should Insolve Auto Funding receive any excess funds, they shall amend their proof of claim with the Court within 30 days.

vii. Insolve Auto Funding shall release its lien on the Certificate of Title to the automobile and provide the Title to the Grange Insurance Company. As consideration for the release of its security interest in the automobile, the replacement vehicle shall be substituted as collateral and Insolve Auto Funding shall be granted a lien on said replacement vehicle.

WHEREFORE, the Debtor respectfully prays this Honorable Court enter an order for the relief as proposed by the Debtor above and any further and just relief this Court deems necessary.

Dated on January 20, 2020.

Respectfully submitted,

/s/ L.G. Burnett, Jr.
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